

Kindschi won't talk about friend, resume

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bank literature make clear that the FDIC insures accounts only to \$100,000. Investment companies are not insured by the FDIC.

Kindschi had had some experience as an investor and manager of a small portfolio; more, he wrote Bishop Baldwin's quarterly economic reports; and he subscribed to a long list of periodicals about economic activity; he had even taught economics briefly in high school many years earlier.

He had, by his own account, tied up in Rewald companies nearly \$400,000 of his own and family money and interest Rewald had promised. And now

his old friend Charles Conner was about to invest as well, and bring in others. And Conner was asking questions about the FDIC guarantee.

Kindschi says that he, too, questioned the coverage — but that he asked only Rewald about it. And, he says, he accepted Rewald's explanation that Bishop Baldwin accounts somehow, through a special relationship with banking institutions, qualified for additional FDIC coverage that would apply only if Bishop Baldwin went bankrupt.

Rewald has said the promise of \$150,000 FDIC insurance was made only briefly, by mistake, by subordinates, and was corrected quickly.

That promise is at the heart

of the state criminal case against Rewald on charges of theft by deception.

Kindschi several weeks ago told friends and associates he was leaving Hawaii. He has returned to his native Wisconsin to find work and help look after his mother. But he is confident he will be back, to testify against his old friend, Ronald Rewald.

It is "unfortunate," he says, that there is "a miasma, that that odor (of the CIA) is in the air.

"It's blue smoke and a lot of mirrors and deflection to take the attention away from what has actually happened and place it on innocent people."

He says that when everything is "winnowed and sifted . . .

the real truth will emerge."

Personally, he says, "I am at peace with everybody but apparently Ron Rewald. I have done nothing that I am ashamed of, nothing except probably a lack of prudence, a lack of caution, a lack of judgment.

"I stand guilty in those areas, but (otherwise) I am totally innocent and ready to go to court."

Rewald, for his part, says: "I can hardly wait to see Jack Kindschi on the stand, and my attorneys can hardly wait to get him on the stand."

Kindschi, the old CIA hand, thinks ahead toward that day, and pauses.

"It'll be messy," he says. "It'll be hardball. But there's no backing down."